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E.O. 12958: DECL: 05/26/2016
TAGS: [ECON](#) [EINV](#) [EPET](#) [ETRD](#) [PREL](#) [EC](#) [CA](#)
SUBJECT: DEMARCHE: USG RESPONSE TO ECUADOR'S ACTIONS ON
OCCIDENTAL PETROLEUM

REF: A. SECSTATE 81565
[1](#)B. MCMANUS-ROSENMAN E-MAIL

Classified By: Brian Mohler, Econ Minister-Counselor, reasons 1.5 (b) and (d)

[1](#)1. (C)Econ officers spoke to DFAIT officials Flavie Major (Ecuador desk officer) and Gilles Gauthier (Director for Investment Trade Policy) about our concerns over Ecuador's actions against Occidental Petroleum, and noted that we were making these points to other trading partners as appropriate. Major took note of the information; Gauthier said that the Canadians are waiting to see whether the GOE action will impose liabilities on Encana given the just-completed sale of its operations in Ecuador. Canada has a bilateral investment treaty (Foreign Investment Protection and Promotion Agreement or FIPA) with Ecuador dating from the mid-90s, based on the NAFTA investment model.

2, (SBU) Gauthier commented more generally that Canadian firms have substantial resource-based investments throughout Latin America, including minerals as well as energy, and find all these developments troubling. Canada has a handful of FIPAs with Latin American countries, not including Bolivia, Colombia or Brazil; an agreement with Peru is under negotiation.

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